

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2068 – SB 2005

April 3, 2018

SUMMARY OF ORIGINAL BILL: Creates criminal offenses relating to the marketing of alcohol and drug treatment services, including a class A misdemeanor offense, a class E felony offense, and a class D felony offense. Requires alcohol and drug treatment service providers to obtain a license from the Department of Mental Health and Substance Abuse Services (DMHSAS) and to maintain an office in this state.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$60,000/FY18-19
\$75,000/FY19-20 and Subsequent Years

Increase State Expenditures – Less Than \$235,100/FY18-19
Less Than \$247,500/FY19-20 and Subsequent Years

SUMMARY OF AMENDMENT (016525): Deletes and rewrites the proposed legislation such that the only substantive changes are: (1) deletes the provision that requires alcohol and drug treatment service providers to obtain a license from the Department of Mental Health and Substance Abuse Services (DMHSAS) and to maintain an office in this state; and (2) removes the criminal offense provisions and replaces those provisions with language that authorizes the suspension or revocation of a healthcare facility's or provider's license by the appropriate licensing board and the imposition of civil penalties.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- Based on information provided by the DMHSAS, the proposed legislation will not have a significant impact on procedures or processes of the DMHSAS; therefore, any fiscal impact is estimated to be not significant.
- Based on information provided by the Department of Health (DOH), the proposed legislation will not have a significant impact on the procedures and processes of the

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health related boards or the DOH; therefore, any fiscal impact is estimated to be not significant.

- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The Boards had an annual surplus of \$4,526,956 in FY15-16, an annual surplus of \$3,551,254 in FY16-17, and a cumulative reserve balance of \$32,645,083 on June 30, 2017.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee" followed by the initials "RNC" in a smaller, lighter script.

Krista M. Lee, Executive Director

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